

# 2023 ECONOMIC REPORT

# MISSOURI

## ECONOMY OVERVIEW



## GROSS DOMESTIC PRODUCT (GDP)

Gross Domestic Product (GDP) is the broadest measure of economic activity. GDP measures the value of the final goods and services produced in a region (Country or State), without double counting the intermediate goods and services used up to produce them.

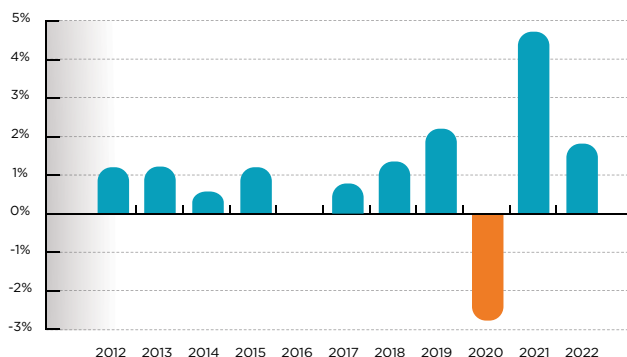
Gross Domestic Product by State (GSP) measures the value-added from industries in that state for a particular period of time. In 2022, Missouri's GDP was \$300.7 billion (in 2012 chained dollars), a 1.7 percent increase from 2021 to 2022. Nationally, inflation-adjusted GDP increased 2.1 percent over the same period. The GDP increase from 2021 to 2022 indicates the continuation of an economic recovery after the COVID-19 pandemic.

Six out of the eight neighboring states of Missouri experienced an increase in GDP. Iowa and Oklahoma experienced a negative GDP growth from 2021 to 2022. Illinois, Kentucky, Tennessee, and Arkansas had greater percent increases than Missouri while Nebraska, Kansas, Iowa, and Oklahoma had slower growth. Tennessee had the greatest increase, at 4.3 percent, and Iowa had the slowest growth at -1.5 percent. Compound annual growth rate of GDP for Missouri over a five-year period (2018-2022) was 1.4 percent.

Missouri grew at an annualized rate of 1.02 percent to equal \$29.14 billion in growth over the past 10 years, or a 10.7 percent GDP increase overall.

Several industry sectors experienced a positive GDP growth in the 10-year period from 2012 to 2022. The greatest compound annual growth rate in the past 10 years was in the *Mining, quarrying, and oil and gas extraction* industry with a 4.8 percent compound annual growth rate. Other 10-year top trends include a compound annual growth rate in *Agriculture, forestry, fishing and hunting* at 4.6 percent; *Professional, scientific, and technical services* at 4.2 percent; *Professional and business services* at 3.7 percent; and *Management of companies and enterprises* at 3.3 percent.

Missouri Real Gross State Product Annual Growth Rate



SOURCE: U.S. BUREAU OF ECONOMIC ANALYSIS, REAL GDP IN 2012 CHAINED DOLLARS

In the past year, most industry sectors experienced positive growth in GDP. The *Agriculture, forestry, fishing and hunting* industry had the largest yearly growth, at 18.2 percent. *Natural resources and mining*, at 17.7 percent, had the next largest positive growth. The largest negative yearly growth was in *Construction* at -12.1 percent.

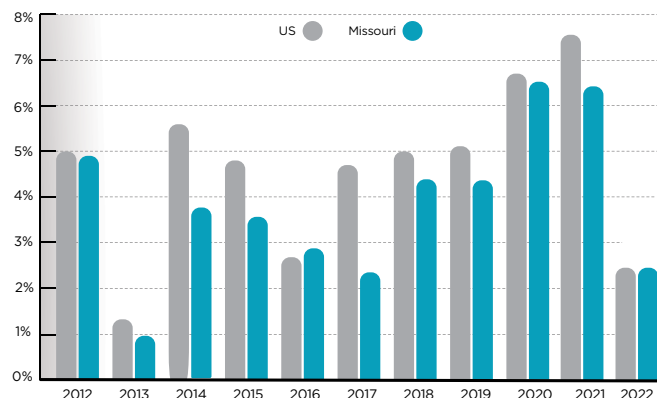
In 2011, Missouri produced \$238.40 billion in private goods and services producing industries whereas in 2022, Missouri produced \$269.24 billion in private goods and services producing industries. In 2022, Service-providing industries contributed 72.1 percent, Goods-producing industries contributed 18.1 percent, and the Government sector contributed 10.5 percent to the Missouri GDP. In the U.S., in 2022, Services-producing industries contributed 71.7 percent, Goods-producing industries made up 17.3 percent, and the Government sector contributed 11.2 percent in the GDP.

In 2022, of the Services-providing industry, the *Real state, rental and leasing sector* contributed 11.0 percent in the state's GDP while *Arts, entertainment, and recreation* contributed 1.1 percent. In the Goods-producing industry, *Manufacturing* contributed 12.6 percent and *Mining, quarrying, and oil and gas extraction* contributed 0.5 percent of Missouri's GDP.

Gross Domestic Product by metropolitan statistical area (MSA) measures the percentage of contribution by MSA to Missouri's total GDP. In 2021, the highest real GDP contribution was from the St. Louis MO-IL Combined MSA (\$156.9 billion), followed by the Kansas City MO-KS MSA (\$130.2 billion), and the Springfield MO MSA (\$19.49 billion). The St. Louis and Kansas City MSAs do cross state boundaries, with only a portion of the GDP attributed to each state.

By county, St. Louis County was the leading contributor to Missouri's GDP in 2021 at \$74.33 billion, followed by Jackson County (\$44.12 billion) and St. Charles County (\$16.68 billion).

Personal Income Annual Growth Rate



SOURCE: U.S. BUREAU OF ECONOMIC ANALYSIS, PERSONAL INCOME PER CAPITA

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## TOTAL PERSONAL INCOME

Total personal income includes the wages and salaries of workers and other income received such as dividends, interest, rent, and transfer payments. Incomes are reported before the deduction of taxes.

Transfer payments are monies paid out by the government to individuals through Social Security, disability insurance, Medicare, unemployment insurance compensation, veterans' benefits, education and training assistance programs (such as Pell Grants), and low-income assistance benefits.

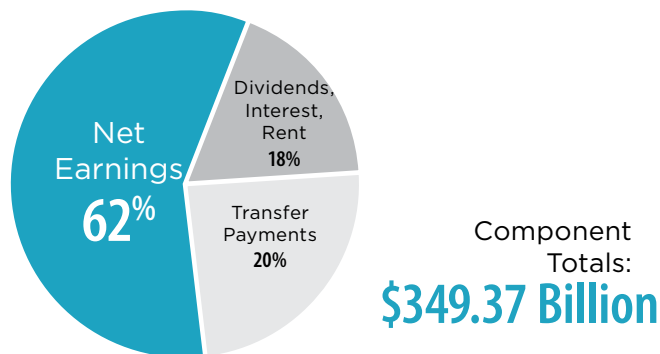
In 2022, Missouri's total personal income was \$349.37 billion, a 2.4 percent increase over 2021. The nation's personal income increased by 2.4 percent to \$21.8 trillion. California led the nation in total personal income with more than \$3.01 trillion. Texas, New York, Florida, and Illinois were also in the top five.

Among surrounding states, Missouri had the sixth largest percent increase in personal income from 2021 to 2022. Total personal income in Tennessee increased by 4.2 percent, followed by Nebraska (3.7%), Iowa (3.3%), Arkansas (3.0%), and Oklahoma (2.9%). Kansas (2.2%), Kentucky (1.7%), and Illinois (1.6%) each had a lower percent personal income increase than Missouri (2.4%) from 2021 to 2022.

Net earnings accounted for 62 percent of Missouri personal income in 2022. Transfer payments accounted for 20 percent and dividends, interest and rent accounted for 18 percent. In the U.S., 63 percent of personal income was accounted for by net earnings, 18 percent by transfer payments, and 19 percent by dividends, interest and rent.

St. Louis County had the highest personal income in the state in 2021 with \$81.3 billion, a 5.1 percent increase from 2020. Jackson County (\$38.07 billion) and St. Charles County (\$25.3 billion) had the next highest personal income, and a 6.3 percent and 7.2 percent increase from 2020 respectively. Camden County had the largest percent increase in personal income, with an 18.3 percent increase over 2020. Johnson County (16.2%) and Pemiscot county (12.9%) also had large percent increases.

Missouri Components of Personal Income



SOURCE: U.S. BUREAU OF ECONOMIC ANALYSIS, 2022

In 2021, Missouri's total nonfarm earnings were \$2.12 billion. St. Louis County (\$78.3 billion) had the largest nonfarm personal income whereas New Madrid County had the highest farm income (\$92.8 million), followed by Saline County (\$89.6 million) and Stoddard County (\$83.2 million).

Per capita personal income is a rough indicator of the economic well-being of an area's residents. Per capita personal income is total personal income divided by total midyear population. The per capita personal income in Missouri in 2022 was \$56,551, a 2.2 percent increase from 2021. Nationally, per capita income was \$65,423, a 2.0 percent increase over the previous year. In this analysis, per capita income is presented in nominal dollars which means it has not been adjusted for inflation. While the state's per capita income is lower than the national average, so is the cost of living. In 2022, Missouri ranked sixth in lowest cost of living for all states.

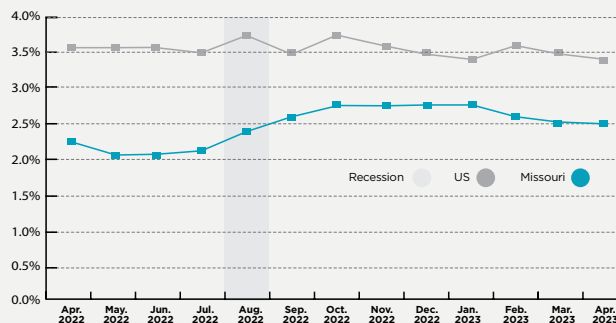
In 2021, St. Louis County had the highest per capita income in the state at \$81,829, followed by Platte County (\$63,771), St. Charles County (\$61,752), and Holt County (\$58,888).

## UNEMPLOYMENT

The unemployment rate measures the number of persons out of work but actively seeking employment relative to the civilian labor force. The seasonally adjusted unemployment data over last 12 months (April 2022 to April 2023) shows somewhat stable trend in the unemployment rates both in the U.S. and in Missouri. In Missouri, the maximum unemployment rate was 2.7 percent and the minimum rate was 2.3 percent over the last 12 months while in the U.S. it was 3.7 percent and 3.4 percent respectively.

Unemployment Rate

Monthly Seasonally Adjusted



SOURCE: U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, LOCAL AREA UNEMPLOYMENT STATISTICS, SEASONALLY ADJUSTED

During 2022, Missouri's unemployment rate reached the lowest rate in the history of the series since collection began in 1976. The unemployment rate has increased, but remains very low and indicative of a tight labor market.

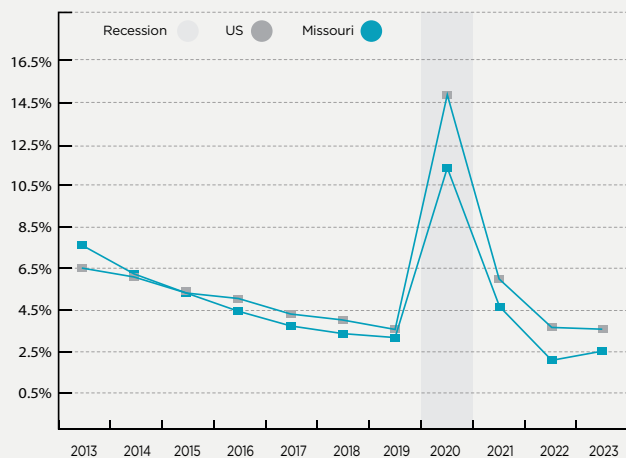
As of April 2023, the nation's seasonally adjusted unemployment rate was 3.4 percent, a slight decrease from April 2022 (3.6%)

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and a significant decrease from April 2021 (6.1%), reflecting continued recovery from the economic downturn caused by the COVID-19 pandemic. Similarly, Missouri's seasonally adjusted unemployment rate in April 2023 was 2.5 percent, similar to April 2022 (2.3%) and an improvement from April 2021 (4.6%). Missouri's current unemployment rate is continuing at some of the lowest rates in the last decade.

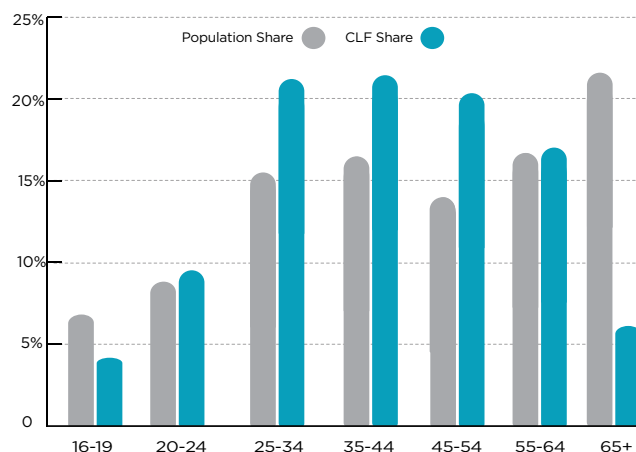
The annual average not seasonally adjusted unemployment rate for both the nation and Missouri has been declining since 2013, increasing significantly in 2020, and continuing the downwards trend since then, indicating recovery from the pandemic and renewed economic strength.

**Unemployment Rate**  
Month of April, Year-Over-Year  
Seasonally adjusted Unemployment Rate



SOURCE: U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, LOCAL AREA UNEMPLOYMENT STATISTICS

## Missouri Population and Labor Force by Age Cohort



SOURCE: U.S. BUREAU OF LABOR STATISTICS, LOCAL AREA UNEMPLOYMENT STATISTICS, EMPLOYMENT STATUS, 2012-2022; 2023 DATA IS FOR APRIL 2023

The LFPR is the ratio of the civilian labor force to the population. The national LFPR climbed to a peak of 67 percent in the 1990's where it seemed to stabilize. However, since 2001 the LFPR has been falling, staying at 62 percent in 2022 and early 2023.

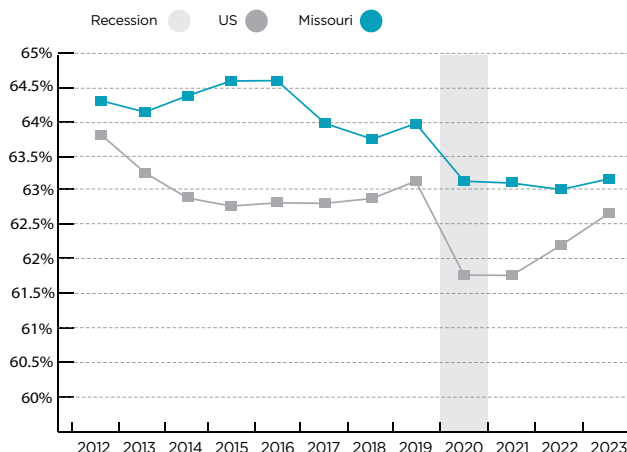
Missouri's LFPR reached the highest peak of close to 70 percent in late 1990's to early 2000's. This rate has been declining steadily since 2002, staying close to 64 percent in 2018, 2019, and 2020. May 2020 was the lowest LFPR for Missouri at 59.6 percent, reflecting the impact of the COVID-19 pandemic related shutdowns. Recently, Missouri's LFPR has averaged close to 63 percent, with 62.9 percent in March 2023 and 63.2 percent in April 2023. Missouri's LFPR has been higher than the national average for more than a decade.

## CIVILIAN LABOR FORCE

The civilian labor force is defined as the number of non-institutionalized persons—16 years and older—who are either gainfully employed or are unemployed but actively seeking work. The civilian labor force in Missouri totaled over three million in 2021, 2022 and 2023. In April 2023, Missouri's seasonally adjusted labor force totaled 3,100,000 with a labor force participation rate (LFPR) of 63.2 percent. In April 2023, 61.6 percent or 3,022,087 of Missouri's civilian non-institutionalized population were employed and only 2.4 percent of labor force or 77,913 were unemployed. The remaining portion of the population were either not seeking work or have exited the workforce.

According to data from the U.S. Bureau of Labor Statistics (BLS), in 2022, the 35 to 54 age cohort comprised 31.4 percent of Missouri's population and 42.7 percent of its civilian labor force. The 65+ age cohort made up 22.2 percent of the population and 6.4 percent of the civilian labor force.

## Civilian Labor Force Participation Rates



SOURCE: U.S. BUREAU OF LABOR STATISTICS, LOCAL AREA UNEMPLOYMENT STATISTICS

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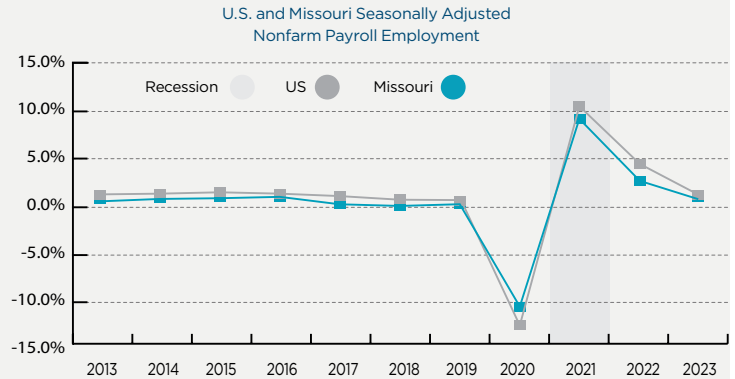
## NONFARM PAYROLL EMPLOYMENT

Nonfarm payroll employment is the estimate of employment in the nonagricultural sector of the economy. Total nonfarm payroll employment declined significantly in 2020 as the economy felt the immediate shock of the pandemic. In April 2020 nonfarm employment in the U.S. was 13.4 percent lower than in April 2019 – a loss of more than 20 million jobs due to the pandemic. By April 2021, employment increased by 10.9 percent, recovering more than 14 million jobs. April 2023 estimates show nonfarm employment increased 2.6 percent compared to April 2022, adding more than 7.06 million jobs.

Statewide, Missouri's nonfarm payroll employment followed a similar trend, with a decrease of 11.8 percent, or 342,000 jobs, from April 2019 to April 2020. In April 2021, employment grew by 9.8 percent year-over-year, with a recovery of 251,000 jobs. Estimates for April 2023 show nonfarm employment in the state increased by 2.1 percent compared to April 2022, adding 60,000 jobs.

Not seasonally adjusted annual data shows that from 2021 to 2022, there was 6.29 million nonfarm payroll employment gains (4.3%) nationally and 84,000 (2.9%) in Missouri.

### Payroll Employment Annual Growth Rate



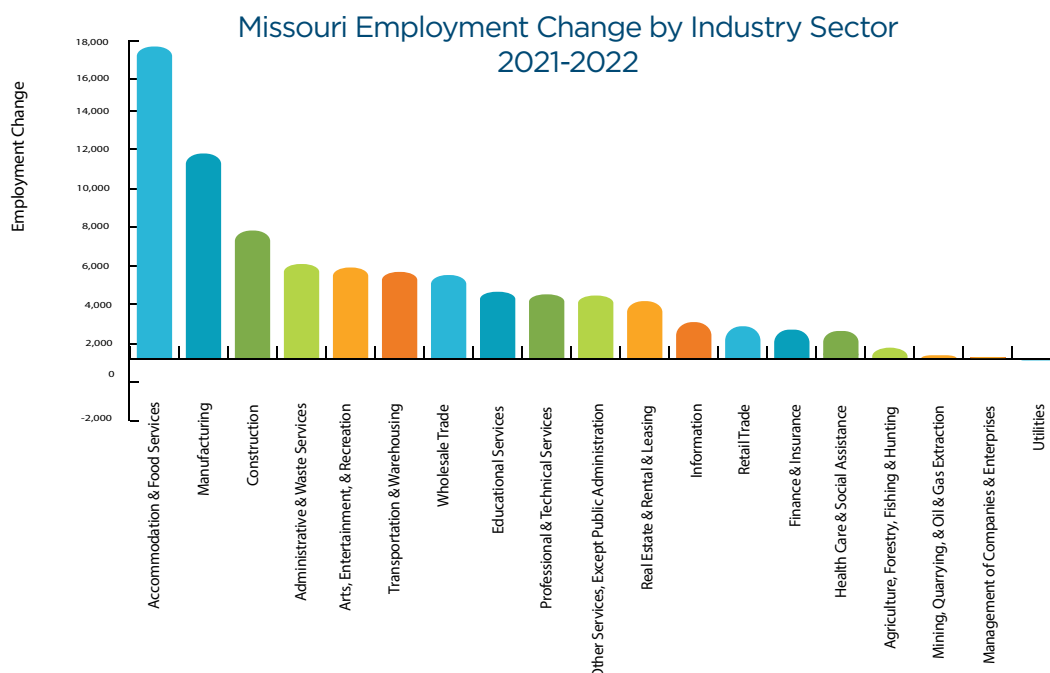
SOURCE: BUREAU OF LABOR STATISTICS, CES, ACCESSED MAY 2013

## EMPLOYMENT CHANGE BY INDUSTRY

Employment change by industry identifies the types of jobs being created within industries in the state. An increase in the employment indicates a greater need within that industry sector, however, some industries behave more cyclically, growing during economic expansion and decreasing in times of economic slowdown or contraction. An increase or decrease in the industry employment not only helps in identifying the types of occupational job changes that are occurring within the industrial sectors but also in highlighting the industries that are expanding or hiring.

The change in employment from 2021 to 2022 shows continued recovery from the COVID-19 pandemic. In total, Missouri gained over 80,700 nonfarm employments from 2021 to 2022. All industry sectors except *Utilities* gained employment from 2021 to 2022.

Only the *Utilities* industry sector lost jobs between 2021 and 2022. *Accommodation and Food Services* (+17,128 jobs); *Manufacturing* (+11,421 jobs); and *Construction* (+7,019 jobs) are the top three industry sectors in terms of employment gains.



SOURCE: BUREAU OF LABOR STATISTICS, QUARTERLY CENSUS OF EMPLOYMENT & WAGES

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## LARGEST GROWTH INDUSTRIES

Projected growth by industry helps identify future employment needs for an area. Projections indicate that the largest employment growth in Missouri between 2020 and 2030 will be in the *Restaurants and Other Eating Places*; *Computer Systems Design and Related Services*; *Employment Services*; *General Medical and Surgical Hospitals*; and *Individual and Family Services* industries.

MISSOURI INDUSTRIES WITH THE LARGEST PROJECTED GROWTH 2020-2030				
INDUSTRY	EMPLOYMENT		CHANGE 2020-2030	
	2020 EST.	2030 PROJ.	NUMERIC	PERCENT
Restaurants & Other Eating Places	180,341	218,078	37,737	20.9%
Computer Systems Design & Related Services	45,201	55,925	10,724	23.7%
Employment Services	45,284	55,998	10,714	23.7%
General Medical & Surgical Hospitals	145,204	154,656	9,452	6.5%
Individual & Family Services	66,257	75,579	9,322	14.1%
Traveler Accommodation	23,334	30,628	7,294	31.3%
Elementary & Secondary Schools	145,675	152,403	6,728	4.6%
Colleges, Universities, & Professional Schools	58,485	64,408	5,923	10.1%
Warehousing & Storage	20,668	26,422	5,754	27.8%
Merchant Wholesalers, Durable Goods	67,646	73,209	5,563	8.2%

SOURCE: MERIC INDUSTRY PROJECTIONS, 2020-2030

## ONLINE JOB POSTINGS

Job postings are an indicator of demand and opportunities in an area, and can assist individuals seeking job opportunities in current in-demand occupations. According to information based on online job posting data collected and aggregated by Lightcast™, a variety of occupations have had a high number of job postings in the state during the last year. *Registered Nurses* had the most online job postings in any category during the last year.

OCCUPATION TITLE	ONLINE JOB POSTINGS
NOW OCCUPATIONS	
Retail Salespersons	23,520
Customer Service Representatives	16,660
Laborers & Freight, Stock, & Material Movers, Hand	15,580
Fast Food & Counter Workers	15,210
Home Health & Personal Care Aides	13,050
NEXT OCCUPATIONS	
Sales Representatives, Wholesale & Manufacturing, Except Technical & Scientific Products	20,590
Heavy & Tractor-Trailer Truck Drivers	18,830
First-Line Supervisors of Retail Sales Workers	16,780
Maintenance & Repair Workers, General	13,560
Medical Dosimetrists, Medical Records Specialists, & Health Technologists & Techs	12,730
LATER OCCUPATIONS	
Registered Nurses	60,640
Software Developers & Software Quality Assurance Analysts & Testers	18,890
Personal Service Managers, All Other; Entertainment & Recreation Managers	14,000
Computer Occupations, All Other	12,920
Medical & Health Services Managers	11,920

SOURCE: LIGHTCAST™, ONLINE JOB ADS FROM MAY 1, 2022 TO APRIL 30, 2023